

Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

United States Estate (and Generation-Skipping Transfer) Tax Return

Estate of a citizen or resident of the United States (see separate instructions).
To be filed for decedents dying after December 31, 2002, and before January 1, 2004.
For Paperwork Reduction Act Notice, see the separate instructions.

OMB No. 1545-0015

Part 1.—Decedent and Executor	1a Decedent's first name and middle initial (and maiden name, if any)	1b Decedent's last name		2 Decedent's Social Security No.
	3a Legal residence (domicile) at time of death (county, state, and ZIP code, or foreign country)	3b Year domicile established	4 Date of birth	5 Date of death
	6a Name of executor (see page 3 of the instructions)	6b Executor's address (number and street including apartment or suite no. or rural route; city, town, or post office; state; and ZIP code)		
	6c Executor's social security number (see page 3 of the instructions)			
	7a Name and location of court where will was probated or estate administered			
	7b Case number			
8 If decedent died testate, check here <input type="checkbox"/> and attach a certified copy of the will. 9 If Form 4768 is attached, check here <input type="checkbox"/>				
10 If Schedule R-1 is attached, check here <input type="checkbox"/>				

Part 2.—Tax Computation	1 Total gross estate less exclusion (from Part 5, Recapitulation, page 3, item 12)	1		
	2 Total allowable deductions (from Part 5, Recapitulation, page 3, item 23)	2		
	3 Taxable estate (subtract line 2 from line 1)	3		
	4 Adjusted taxable gifts (total taxable gifts (within the meaning of section 2503) made by the decedent after December 31, 1976, other than gifts that are includible in decedent's gross estate (section 2001(b)))	4		
	5 Add lines 3 and 4	5		
	6 Tentative tax on the amount on line 5 from Table A on page 4 of the instructions	6		
	7 Total gift tax payable with respect to gifts made by the decedent after December 31, 1976. Include gift taxes by the decedent's spouse for such spouse's share of split gifts (section 2513) only if the decedent was the donor of these gifts and they are includible in the decedent's gross estate (see instructions)	7		
	8 Gross estate tax (subtract line 7 from line 6)	8		
	9 Maximum unified credit (applicable credit amount) against estate tax	9		
	10 Adjustment to unified credit (applicable credit amount). (This adjustment may not exceed \$6,000. See page 5 of the instructions.)	10		
	11 Allowable unified credit (applicable credit amount) (subtract line 10 from line 9)	11		
	12 Subtract line 11 from line 8 (but do not enter less than zero).	12		
	13 Credit for state death taxes (cannot exceed line 12). Attach credit evidence (see instructions). Figure the credit by using the amount on line 3 less \$60,000. See Table B in the instructions. Enter the amount here from Table B <input type="checkbox"/> x .50 <input type="checkbox"/>	13		
	14 Subtract line 13 from line 12	14		
	15 Credit for Federal gift taxes on pre-1977 gifts (section 1012) (attach computation)	15		
	16 Credit for foreign death taxes (from Schedule(s) P). (Attach Form(s) 706-CE.)	16		
	17 Credit for tax on prior transfers (from Schedule Q)	17		
	18 Total (add lines 15, 16, and 17)	18		
	19 Net estate tax (subtract line 18 from line 14)	19		
	20 Generation-skipping transfer taxes (from Schedule R, Part 2, line 10)	20		
	21 Total transfer taxes (add lines 19 and 20)	21		
	22 Prior payments. Explain in an attached statement	22		
	23 United States Treasury bonds redeemed in payment of estate tax	23		
	24 Total (add lines 22 and 23)	24		
	25 Balance due (or overpayment) (subtract line 24 from line 21)	25		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer other than the executor is based on all information of which preparer has any knowledge.

Signature(s) of executor(s)	Date
-----------------------------	------

Signature of preparer other than executor	Address (and ZIP code)	Date
---	------------------------	------

Part 4—General Information (*continued*)**Please check the "Yes" or "No" box for each question.**

		Yes	No
7a	Have Federal gift tax returns ever been filed? If "Yes," please attach copies of the returns, if available, and furnish the following information:		
7b	Period(s) covered		
7c	Internal Revenue office(s) where filed		
If you answer "Yes" to any of questions 8–16, you must attach additional information as described in the instructions.			
8a	Was there any insurance on the decedent's life that is not included on the return as part of the gross estate?		
b	Did the decedent own any insurance on the life of another that is not included in the gross estate?		
9	Did the decedent at the time of death own any property as a joint tenant with right of survivorship in which (a) one or more of the other joint tenants was someone other than the decedent's spouse, and (b) less than the full value of the property is included on the return as part of the gross estate? If "Yes," you must complete and attach Schedule E		
10	Did the decedent, at the time of death, own any interest in a partnership or unincorporated business or any stock in an inactive or closely held corporation?		
11	Did the decedent make any transfer described in section 2035, 2036, 2037, or 2038 (see the instructions for Schedule G beginning on page 12 of the separate instructions)? If "Yes," you must complete and attach Schedule G		
12	Were there in existence at the time of the decedent's death:		
a	Any trusts created by the decedent during his or her lifetime?		
b	Any trusts not created by the decedent under which the decedent possessed any power, beneficial interest, or trusteeship?		
13	Did the decedent ever possess, exercise, or release any general power of appointment? If "Yes," you must complete and attach Schedule H		
14	Was the marital deduction computed under the transitional rule of Public Law 97-34, section 403(e)(3) (Economic Recovery Tax Act of 1981)? If "Yes," attach a separate computation of the marital deduction, enter the amount on item 20 of the Recapitulation, and note on item 20 "computation attached."		
15	Was the decedent, immediately before death, receiving an annuity described in the "General" paragraph of the instructions for Schedule I? If "Yes," you must complete and attach Schedule I		
16	Was the decedent ever the beneficiary of a trust for which a deduction was claimed by the estate of a pre-deceased spouse under section 2056(b)(7) and which is not reported on this return? If "Yes," attach an explanation.		

Part 5—Recapitulation

Item number	Gross estate	Alternate value	Value at date of death
1	Schedule A—Real Estate	1	
2	Schedule B—Stocks and Bonds	2	
3	Schedule C—Mortgages, Notes, and Cash	3	
4	Schedule D—Insurance on the Decedent's Life (attach Form(s) 712)	4	
5	Schedule E—Jointly Owned Property (attach Form(s) 712 for life insurance)	5	
6	Schedule F—Other Miscellaneous Property (attach Form(s) 712 for life insurance)	6	
7	Schedule G—Transfers During Decedent's Life (att. Form(s) 712 for life insurance)	7	
8	Schedule H—Powers of Appointment	8	
9	Schedule I—Annuities	9	
10	Total gross estate (add items 1 through 9).	10	
11	Schedule U—Qualified Conservation Easement Exclusion	11	
12	Total gross estate less exclusion (subtract item 11 from item 10). Enter here and on line 1 of Part 2—Tax Computation	12	
Item number	Deductions	Amount	
13	Schedule J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims	13	
14	Schedule K—Debts of the Decedent	14	
15	Schedule K—Mortgages and Liens	15	
16	Total of items 13 through 15	16	
17	Allowable amount of deductions from item 16 (see the instructions for item 17 of the Recapitulation)	17	
18	Schedule L—Net Losses During Administration	18	
19	Schedule L—Expenses Incurred in Administering Property Not Subject to Claims	19	
20	Schedule M—Bequests, etc., to Surviving Spouse	20	
21	Schedule O—Charitable, Public, and Similar Gifts and Bequests	21	
22	Schedule T—Qualified Family-Owned Business Interest Deduction	22	
23	Total allowable deductions (add items 17 through 22). Enter here and on line 2 of the Tax Computation	23	

Estate of:

SCHEDULE A—Real Estate

- For jointly owned property that must be disclosed on Schedule E, see the instructions on the reverse side of Schedule E.
- Real estate that is part of a sole proprietorship should be shown on Schedule F.
- Real estate that is included in the gross estate under section 2035, 2036, 2037, or 2038 should be shown on Schedule G.
- Real estate that is included in the gross estate under section 2041 should be shown on Schedule H.
- If you elect section 2032A valuation, you must complete Schedule A and Schedule A-1.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules or additional sheets attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 1.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
 (See the instructions on the reverse side.)

Part 1. Type of Election (Before making an election, see the checklist on page 7.):

- Before completing Schedule A-1, see the checklist on page 7 for the information and documents that must be included to make a valid election.

The election is not valid unless the agreement (i.e., Part 3—Agreement to Special Valuation Under Section 2032A)—

- Part 2. Notice of Election (Regulations section 20.2032A-8(a)(3))**

Note: All real property entered on lines 2 and 3 must also be entered on Schedules A, E, F, G, or H, as applicable.

- 1 Qualified use—check one ☐ Farm used for farming, or
☐ Trade or business other than farming
- 2 Real property used in a qualified use, passing to qualified heirs, and to be specially valued on this Form 706.

Totals

Attach a legal description of all property listed on line 2.

Attach copies of appraisals showing the column B values for all property listed on line 2.

- 3** Real property used in a qualified use, passing to qualified heirs, but not specially valued on this Form 706.

Totals

If you checked "Regular election," you must attach copies of appraisals showing the column B values for all property listed on line 3.

(continued on next page)

A Schedule and item number from Form 706	B Adjusted value (with section 2032A(b)(3)(B) adjustment)	A (continued) Schedule and item number from Form 706	B (continued) Adjusted value (with section 2032A(b)(3)(B) adjustment)
		"Subtotal" from Col. B, below left	
Subtotal		Total adjusted value	

5 Enter the value of the total gross estate as adjusted under section 2032A(b)(3)(A). ▶

5 Enter the value of the total gross estate as adjusted under section 2032A(b)(3)(A). ►

6 Attach a description of the method used to determine the special value based on qualified use.

7 Did the decedent and/or a member of his or her family own all property listed on line 2 for at least 5 of the 8 years immediately preceding the date of the decedent's death? ☐ Yes ☐ No

8 Were there any periods during the 8-year period preceding the date of the decedent's death during which the decedent or a member of his or her family:

☐ Yes ☐ No

Yes	No

If "Yes" to any of the above, you must attach a statement listing the periods. If applicable, describe whether the exceptions of sections 2032A(b)(4) or (5) are met.

9 Attach affidavits describing the activities constituting material participation and the identity and relationship to the decedent of the material participants.

10 Persons holding interests. Enter the requested information for each party who received any interest in the specially valued property. (Each of the qualified heirs receiving an interest in the property must sign the agreement, and the agreement must be filed with this return.)

11 Woodlands election. Check here ☐ if you wish to make a woodlands election as described in section 2032A(e)(13). Enter the Schedule and item numbers from Form 706 of the property for which you are making this election . You must attach a statement explaining why you are entitled to make this election. The IRS may issue regulations that require more information to substantiate this election. You will be notified by the IRS if you must supply further information.

You must attach a computation of the GST tax savings attributable to direct skips for each person listed above who is a skip person. (See instructions.)

11 Woodlands election. Check here ☐ if you wish to make a woodlands election as described in section 2032A(e)(13). Enter the Schedule and item numbers from Form 706 of the property for which you are making this election

You must attach a statement explaining why you are entitled to make this election. The IRS may issue regulations that require more information to substantiate this election. You will be notified by the IRS if you must supply further information.

Part 3. Agreement to Special Valuation Under Section 2032A

Estate of:	Date of Death	Decedent's Social Security Number

There cannot be a valid election unless:

- The agreement is executed by each and every one of the qualified heirs, and
- The agreement is included with the estate tax return when the estate tax return is filed.

We (list all qualified heirs and other persons having an interest in the property required to sign this agreement)

being all the qualified heirs and _____,

being all other parties having interests in the property which is qualified real property and which is valued under section 2032A of the Internal Revenue Code, do hereby approve of the election made by _____,

Executor/Administrator of the estate of _____,

pursuant to section 2032A to value said property on the basis of the qualified use to which the property is devoted and do hereby enter into this agreement pursuant to section 2032A(d).

The undersigned agree and consent to the application of subsection (c) of section 2032A of the Code with respect to all the property described on line 2 of Part 2 of Schedule A-1 of Form 706, attached to this agreement. More specifically, the undersigned heirs expressly agree and consent to personal liability under subsection (c) of 2032A for the additional estate and GST taxes imposed by that subsection with respect to their respective interests in the above-described property in the event of certain early dispositions of the property or early cessation of the qualified use of the property. It is understood that if a qualified heir disposes of any interest in qualified real property to any member of his or her family, such member may thereafter be treated as the qualified heir with respect to such interest upon filing a Form 706-A and a new agreement.

The undersigned interested parties who are not qualified heirs consent to the collection of any additional estate and GST taxes imposed under section 2032A(c) of the Code from the specially valued property.

If there is a disposition of any interest which passes, or has passed to him or her, or if there is a cessation of the qualified use of any specially valued property which passes or passed to him or her, each of the undersigned heirs agrees to file a **Form 706-A**, United States Additional Estate Tax Return, and pay any additional estate and GST taxes due within 6 months of the disposition or cessation.

It is understood by all interested parties that this agreement is a condition precedent to the election of special use valuation under section 2032A of the Code and must be executed by every interested party even though that person may not have received the estate (or GST) tax benefits or be in possession of such property.

Each of the undersigned understands that by making this election, a lien will be created and recorded pursuant to section 6324B of the Code on the property referred to in this agreement for the adjusted tax differences with respect to the estate as defined in section 2032A(c)(2)(C).

As the interested parties, the undersigned designate the following individual as their agent for all dealings with the Internal Revenue Service concerning the continued qualification of the specially valued property under section 2032A of the Code and on all issues regarding the special lien under section 6324B. The agent is authorized to act for the parties with respect to all dealings with the Service on matters affecting the qualified real property described earlier. This authority includes the following:

- To receive confidential information on all matters relating to continued qualification under section 2032A of the specially valued real property and on all matters relating to the special lien arising under section 6324B.
- To furnish the Internal Revenue Service with any requested information concerning the property.
- To notify the Internal Revenue Service of any disposition or cessation of qualified use of any part of the property.
- To receive, but not to endorse and collect, checks in payment of any refund of Internal Revenue taxes, penalties, or interest.
- To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.
- To execute closing agreements under section 7121.

(continued on next page)

Part 3. Agreement to Special Valuation Under Section 2032A (Continued)

Estate of:	Date of Death	Decedent's Social Security Number

• Other acts (specify) ► _____

By signing this agreement, the agent agrees to provide the Internal Revenue Service with any requested information concerning this property and to notify the Internal Revenue Service of any disposition or cessation of the qualified use of any part of this property.

_____	_____	_____
Name of Agent	Signature	Address

The property to which this agreement relates is listed in Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, and in the Notice of Election, along with its fair market value according to section 2031 of the Code and its special use value according to section 2032A. The name, address, social security number, and interest (including the value) of each of the undersigned in this property are as set forth in the attached Notice of Election.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands at _____,

this _____ day of _____.

SIGNATURES OF EACH OF THE QUALIFIED HEIRS:

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signatures of other interested parties

Signatures of other interested parties

Estate of:

SCHEDULE B—Stocks and Bonds*(For jointly owned property that must be disclosed on Schedule E, see the instructions for Schedule E.)*

Item number	Description including face amount of bonds or number of shares and par value where needed for identification. Give 9-digit CUSIP number.	Unit value	Alternate valuation date	Alternate value	Value at date of death
1	CUSIP number				
Total from continuation schedules (or additional sheets) attached to this schedule . . .					
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 2.) . . .					

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)

(The instructions to Schedule B are in the separate instructions.)

Estate of:

SCHEDULE C—Mortgages, Notes, and Cash*(For jointly owned property that must be disclosed on Schedule E, see the instructions for Schedule E.)*

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 3.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
 (See the instructions on the reverse side.)

Estate of:

SCHEDULE D—Insurance on the Decedent's LifeYou must list **all** policies on the life of the decedent and attach a Form 712 for each policy.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 4.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)

(See the instructions on the reverse side.)

Estate of:

SCHEDULE E—Jointly Owned Property

(If you elect section 2032A valuation, you must complete Schedule E and Schedule A-1.)

PART 1.—Qualified Joint Interests—Interests Held by the Decedent and His or Her Spouse as the Only Joint Tenants (Section 2040(b)(2))

Item number	Description For securities, give CUSIP number.	Alternate valuation date	Alternate value	Value at date of death
<div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%) rotate(-45deg); opacity: 0.3; font-size: 100px; pointer-events: none;"> Draft as of 7/17/2003 </div>				
Total from continuation schedules (or additional sheets) attached to this schedule				
1a	Totals	1a		
1b	Amounts included in gross estate (one-half of line 1a)	1b		

PART 2.—All Other Joint Interests

2a State the name and address of each surviving co-tenant. If there are more than three surviving co-tenants, list the additional co-tenants on an attached sheet.

Name	Address (number and street, city, state, and ZIP code)
A.	
B.	
C.	

Item number	Enter letter for co-tenant	Description (including alternate valuation date if any) For securities, give CUSIP number.	Percentage includible	Includible alternate value	Includible value at date of death
Total from continuation schedules (or additional sheets) attached to this schedule					
2b	Total other joint interests			2b	
3	Total includible joint interests (add lines 1b and 2b). Also enter on Part 5, Recapitulation, page 3, at item 5			3	

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
(See the instructions on the reverse side.)

Estate of:**SCHEDULE F—Other Miscellaneous Property Not Reportable Under Any Other Schedule***(For jointly owned property that must be disclosed on Schedule E, see the instructions for Schedule E.)**(If you elect section 2032A valuation, you must complete Schedule F and Schedule A-1.)*

	Yes	No
1 Did the decedent at the time of death own any articles of artistic or collectible value in excess of \$3,000 or any collections whose artistic or collectible value combined at date of death exceeded \$10,000? If "Yes," submit full details on this schedule and attach appraisals.		
2 Has the decedent's estate, spouse, or any other person, received (or will receive) any bonus or award as a result of the decedent's employment or death? If "Yes," submit full details on this schedule.		
3 Did the decedent at the time of death have, or have access to, a safe deposit box? If "Yes," state location, and if held in joint names of decedent and another, state name and relationship of joint depositor. If any of the contents of the safe deposit box are omitted from the schedules in this return, explain fully why omitted.		

Item number	Description For securities, give CUSIP number.	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 6.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
(See the instructions on the reverse side.)

Estate of: _____

SCHEDULE G—Transfers During Decedent's Life*(If you elect section 2032A valuation, you must complete Schedule G and Schedule A-1.)*

Item number	Description For securities, give CUSIP number.	Alternate valuation date	Alternate value	Value at date of death
A.	Gift tax paid by the decedent or the estate for all gifts made by the decedent or his or her spouse within 3 years before the decedent's death (section 2035(b)).	X X X X X		
B.	Transfers includible under section 2035(a), 2036, 2037, or 2038:			
1				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 7.).				

SCHEDULE H—Powers of Appointment*(Include "5 and 5 lapsing" powers (section 2041(b)(2)) held by the decedent.)**(If you elect section 2032A valuation, you must complete Schedule H and Schedule A-1.)*

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 8.).				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
 (The instructions to Schedules G and H are in the separate instructions.)

Estate of:

SCHEDULE I—Annuities**Note:** Generally, no exclusion is allowed for the estates of decedents dying after December 31, 1984 (see page 14 of the instructions).

A Are you excluding from the decedent's gross estate the value of a lump-sum distribution described in section 2039(f)(2) (as in effect before its repeal by the Deficit Reduction Act of 1984)?

Yes	No

If "Yes," you must attach the information required by the instructions.

Item number	Description Show the entire value of the annuity before any exclusions.	Alternate valuation date	Includible alternate value	Includible value at date of death
1				
<div style="position: relative; width: 100%; height: 100%;"> Draft as of 7/17/2003 </div>				
Total from continuation schedules (or additional sheets) attached to this schedule . . .				
TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 9.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)

Estate of:

SCHEDULE J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims**Note:** Do not list on this schedule expenses of administering property not subject to claims. For those expenses, see the instructions for Schedule L.

If executors' commissions, attorney fees, etc., are claimed and allowed as a deduction for estate tax purposes, they are not allowable as a deduction in computing the taxable income of the estate for Federal income tax purposes. They are allowable as an income tax deduction on Form 1041 if a waiver is filed to waive the deduction on Form 706 (see the Form 1041 instructions).

Item number	Description	Expense amount	Total amount
1	A. Funeral expenses:		
	Total funeral expenses		
	B. Administration expenses:		
1	Executors' commissions—amount estimated/agreed upon/paid. (Strike out the words that do not apply.)		
2	Attorney fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.).		
3	Accountant fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.).		
4	Miscellaneous expenses:	Expense amount	
	Total miscellaneous expenses from continuation schedules (or additional sheets) attached to this schedule		
	Total miscellaneous expenses		
	TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 13.)		

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
(See the instructions on the reverse side.)

Estate of:

SCHEDULE K—Debts of the Decedent, and Mortgages and Liens

Item number	Debts of the Decedent—Creditor and nature of claim, and allowable death taxes	Amount unpaid to date	Amount in contest	Amount claimed as a deduction
1				

Total from continuation schedules (or additional sheets) attached to this schedule

TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 14.)

Item number	Mortgages and Liens—Description	Amount
1		

Total from continuation schedules (or additional sheets) attached to this schedule

TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 15.)

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
 (The instructions to Schedule K are in the separate instructions.)

Estate of:

SCHEDULE L—Net Losses During Administration and Expenses Incurred in Administering Property Not Subject to Claims

Item number	Net losses during administration (Note: Do not deduct losses claimed on a Federal income tax return.)	Amount
1		

Total from continuation schedules (or additional sheets) attached to this schedule.

TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 18.)

Item number	Expenses incurred in administering property not subject to claims (Indicate whether estimated, agreed upon, or paid.)	Amount
1		

Total from continuation schedules (or additional sheets) attached to this schedule.

TOTAL. (Also enter on Part 5, Recapitulation, page 3, at item 19.)

Estate of:**SCHEDULE M—Bequests, etc., to Surviving Spouse**

Election To Deduct Qualified Terminable Interest Property Under Section 2056(b)(7). If a trust (or other property) meets the requirements of qualified terminable interest property under section 2056(b)(7), and

- a. The trust or other property is listed on Schedule M, and
- b. The value of the trust (or other property) is entered in whole or in part as a deduction on Schedule M, then unless the executor specifically identifies the trust (all or a fractional portion or percentage) or other property to be excluded from the election, the executor shall be deemed to have made an election to have such trust (or other property) treated as qualified terminable interest property under section 2056(b)(7).

If less than the entire value of the trust (or other property) that the executor has included in the gross estate is entered as a deduction on Schedule M, the executor shall be considered to have made an election only as to a fraction of the trust (or other property). The numerator of this fraction is equal to the amount of the trust (or other property) deducted on Schedule M. The denominator is equal to the total value of the trust (or other property).

Election To Deduct Qualified Domestic Trust Property Under Section 2056A. If a trust meets the requirements of a qualified domestic trust under section 2056A(a) and this return is filed no later than 1 year after the time prescribed by law (including extensions) for filing the return, and

- a. The entire value of a trust or trust property is listed on Schedule M, and
- b. The entire value of the trust or trust property is entered as a deduction on Schedule M, then unless the executor specifically identifies the trust to be excluded from the election, the executor shall be deemed to have made an election to have the entire trust treated as qualified domestic trust property.

	Yes	No
1 Did any property pass to the surviving spouse as a result of a qualified disclaimer? If "Yes," attach a copy of the written disclaimer required by section 2518(b).		
2a In what country was the surviving spouse born? _____		
b What is the surviving spouse's date of birth? _____		
c Is the surviving spouse a U.S. citizen?		
d If the surviving spouse is a naturalized citizen, when did the surviving spouse acquire citizenship? _____		
e If the surviving spouse is not a U.S. citizen, of what country is the surviving spouse a citizen? _____		
3 Election Out of QTIP Treatment of Annuities —Do you elect under section 2056(b)(7)(C)(ii) not to treat as qualified terminable interest property any joint and survivor annuities that are included in the gross estate and would otherwise be treated as qualified terminable interest property under section 2056(b)(7)(C)? (see instructions)		

Item number	Description of property interests passing to surviving spouse	Amount
1		
Total from continuation schedules (or additional sheets) attached to this schedule		
4	Total amount of property interests listed on Schedule M	4
5a	Federal estate taxes payable out of property interests listed on Schedule M	
5b	Other death taxes payable out of property interests listed on Schedule M	
5c	Federal and state GST taxes payable out of property interests listed on Schedule M	
5d	Add items 5a, b, and c	
6	Net amount of property interests listed on Schedule M (subtract 5d from 4). Also enter on Part 5, Recapitulation, page 3, at item 20	6

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
(See the instructions on the reverse side.)

Estate of:

SCHEDULE O—Charitable, Public, and Similar Gifts and Bequests

	Yes	No
1a If the transfer was made by will, has any action been instituted to have interpreted or to contest the will or any of its provisions affecting the charitable deductions claimed in this schedule? If "Yes," full details must be submitted with this schedule.		
b According to the information and belief of the person or persons filing this return, is any such action planned? If "Yes," full details must be submitted with this schedule.		
2 Did any property pass to charity as the result of a qualified disclaimer? If "Yes," attach a copy of the written disclaimer required by section 2518(b).		

Item number	Name and address of beneficiary	Character of institution	Amount
1			
Total from continuation schedules (or additional sheets) attached to this schedule			

3 Total	3
4a Federal estate tax payable out of property interests listed above	4a
b Other death taxes payable out of property interests listed above	4b
c Federal and state GST taxes payable out of property interests listed above	4c
d Add items 4a, b, and c	4d
5 Net value of property interests listed above (subtract 4d from 3). Also enter on Part 5, Recapitulation, page 3, at item 21	5

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
(The instructions to Schedule O are in the separate instructions.)

Estate of:

SCHEDULE P—Credit for Foreign Death Taxes

List all foreign countries to which death taxes have been paid and for which a credit is claimed on this return.

If a credit is claimed for death taxes paid to more than one foreign country, compute the credit for taxes paid to one country on this sheet and attach a separate copy of Schedule P for each of the other countries.

The credit computed on this sheet is for the

(Name of death tax or taxes)

imposed in

(Name of country)

Credit is computed under the

(Insert title of treaty or "statute")

Citizenship (nationality) of decedent at time of death

(All amounts and values must be entered in United States money.)

1	Total of estate, inheritance, legacy, and succession taxes imposed in the country named above attributable to property situated in that country, subjected to these taxes, and included in the gross estate (as defined by statute)	1	
2	Value of the gross estate (adjusted, if necessary, according to the instructions for item 2)	2	
3	Value of property situated in that country, subjected to death taxes imposed in that country, and included in the gross estate (adjusted, if necessary, according to the instructions for item 3)	3	
4	Tax imposed by section 2001 reduced by the total credits claimed under sections 2010, 2011, and 2012 (see instructions).	4	
5	Amount of Federal estate tax attributable to property specified at item 3. (Divide item 3 by item 2 and multiply the result by item 4.)	5	
6	Credit for death taxes imposed in the country named above (the smaller of item 1 or item 5). Also enter on line 16 of Part 2, Tax Computation	6	

SCHEDULE Q—Credit for Tax on Prior Transfers**Part 1—Transferor Information**

	Name of transferor	Social security number	IRS office where estate tax return was filed	Date of death
A				
B				
C				

Check here ☐ if section 2013(f) (special valuation of farm, etc., real property) adjustments to the computation of the credit were made (see page 19 of the instructions).

Part 2—Computation of Credit (see instructions beginning on page 19)

Item	Transferor			Total A, B, & C
	A	B	C	
1	Transferee's tax as apportioned (from worksheet, (line 7 ÷ line 8) × line 35 for each column)			
2	Transferor's tax (from each column of worksheet, line 20)			
3	Maximum amount before percentage requirement (for each column, enter amount from line 1 or 2, whichever is smaller)			
4	Percentage allowed (each column) (see instructions)	%	%	%
5	Credit allowable (line 3 × line 4 for each column)			
6	TOTAL credit allowable (add columns A, B, and C of line 5). Enter here and on line 17 of Part 2, Tax Computation			

SCHEDULE R—Generation-Skipping Transfer Tax

Note: To avoid application of the deemed allocation rules, Form 706 and Schedule R should be filed to allocate the GST exemption to trusts that may later have taxable terminations or distributions under section 2612 even if the form is not required to be filed to report estate or GST tax.

The GST tax is imposed on taxable transfers of interests in property located **outside the United States** as well as property located inside the United States.

See instructions beginning on page 20.

Part 1—GST Exemption Reconciliation (Section 2631) and Section 2652(a)(3) (Special QTIP) Election

You no longer need to check a box to make a section 2652(a)(3) (special QTIP) election. If you list qualifying property in Part 1, line 9, below, you will be considered to have made this election. See page 22 of the separate instructions for details.

- 1 Maximum allowable GST exemption
- 2 Total GST exemption allocated by the decedent against decedent's lifetime transfers
- 3 Total GST exemption allocated by the executor, using Form 709, against decedent's lifetime transfers
- 4 GST exemption allocated on line 6 of Schedule R, Part 2
- 5 GST exemption allocated on line 6 of Schedule R, Part 3
- 6 Total GST exemption allocated on line 4 of Schedule(s) R-1
- 7 Total GST exemption allocated to intervivos transfers and direct skips (add lines 2–6)
- 8 GST exemption available to allocate to trusts and section 2032A interests (subtract line 7 from line 1)
- 9 Allocation of GST exemption to trusts (as defined for GST tax purposes):

A Name of trust	B Trust's EIN (if any)	C GST exemption allocated on lines 2–6, above (see instructions)	D Additional GST exemption allocated (see instructions)	E Trust's inclusion ratio (optional—see instructions)

9D Total. May not exceed line 8, above	9D	
10 GST exemption allocated to section 2032A interests received by individual beneficiaries (subtract line 9D from line 8). You must attach special use allocation schedule (see instructions)	10	

(The instructions to Schedule R are in the separate instructions.)

Estate of:

Part 2—Direct Skips Where the Property Interests Transferred Bear the GST Tax on the Direct Skips

Name of skip person	Description of property interest transferred	Estate tax value
<div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%) rotate(-30deg); opacity: 0.3; font-size: 100px; pointer-events: none;"> Draft as of 7/17/2003 </div>		

1 Total estate tax values of all property interests listed above	1	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above	2	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 2 (see instructions)	3	
4 Total fixed taxes and other charges (add lines 2 and 3).	4	
5 Total tentative maximum direct skips (subtract line 4 from line 1)	5	
6 GST exemption allocated	6	
7 Subtract line 6 from line 5	7	
8 GST tax due (divide line 7 by 3.040817)	8	
9 Enter the amount from line 8 of Schedule R, Part 3	9	
10 Total GST taxes payable by the estate (add lines 8 and 9). Enter here and on line 20 of Part 2—Tax Computation, on page 1.	10	

Estate of:

Part 3—Direct Skips Where the Property Interests Transferred Do Not Bear the GST Tax on the Direct Skips

Name of skip person	Description of property interest transferred	Estate tax value
<div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%) rotate(-30deg); opacity: 0.3; font-size: 100px; pointer-events: none;"> Draft as of 7/17/2003 </div>		

1 Total estate tax values of all property interests listed above	1	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above	2	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 3 (see instructions)	3	
4 Total fixed taxes and other charges (add lines 2 and 3).	4	
5 Total tentative maximum direct skips (subtract line 4 from line 1)	5	
6 GST exemption allocated	6	
7 Subtract line 6 from line 5	7	
8 GST tax due (multiply line 7 by .49). Enter here and on Schedule R, Part 2, line 9	8	

(Rev. August 2003)
Department of the Treasury
Internal Revenue Service

Payment Voucher

OMB No. 1545-0015

Fiduciary: See instructions on the following page. Pay the tax shown on line 6.

Name of trust

Trust's EIN

Name and title of fiduciary

Name of decedent

Address of fiduciary (number and street)

Decedent's SSN

Service Center where Form 706 was filed

City, state, and ZIP code

Name of executor

Address of executor (number and street)

City, state, and ZIP code

Date of decedent's death

Filing due date of Schedule R, Form 706 (with extensions)

Part 1—Computation of the GST Tax on the Direct Skip

Description of property interests subject to the direct skip

Estate tax value

1	Total estate tax value of all property interests listed above	
2	Estate taxes, state death taxes, and other charges borne by the property interests listed above.	
3	Tentative maximum direct skip from trust (subtract line 2 from line 1)	
4	GST exemption allocated	
5	Subtract line 4 from line 3	
6	GST tax due from fiduciary (divide line 5 by 3.040817) (See instructions if property will not bear the GST tax.)	

1

2

3

4

5

6

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature(s) of executor(s)

Date _____

Date _____

Signature of fiduciary or officer representing fiduciary

Date _____

Estate of:

SCHEDULE T—Qualified Family-Owned Business Interest Deduction

For details on the deduction, including trades and businesses that do not qualify, see page 23 of the separate Instructions for Form 706.

Part 1—Election

Note: The executor is deemed to have made the election under section 2057 if he or she files Schedule T and deducts any qualifying business interests from the gross estate.

Part 2—General Qualifications

- 1 Did the decedent and/or a member of the decedent's family own the business interests listed on line 5 of this schedule for at least 5 of the 8 years immediately preceding the date of the decedent's death? ☐ Yes ☐ No

- 2 Were there any periods during the 8-year period preceding the date of the decedent's death during which the decedent or a member of his or her family:
- | | Yes | No |
|---|-----|----|
| a Did not own the business interests listed on this schedule? | | |
| b Did not materially participate, within the meaning of section 2032A(e)(6), in the operation of the business to which such interests relate? | | |

If "Yes" to either of the above, you must attach a statement listing the periods. If applicable, describe whether the exceptions of sections 2032A(b)(4) or (5) are met.

Attach affidavits describing the activities constituting material participation and the identity and relationship to the decedent of the material participants.

- 3 Check the applicable box(es). The qualified family-owned business interest(s) is:
- ☐ An interest as a proprietor in a trade or business carried on as a proprietorship.
- ☐ An interest in an entity, at least 50% of which is owned (directly or indirectly) by the decedent and members of the decedent's family.
- ☐ An interest in an entity, at least 70% of which is owned (directly or indirectly) by members of 2 families and at least 30% of which is owned (directly or indirectly) by the decedent and members of the decedent's family.
- ☐ An interest in an entity, at least 90% of which is owned (directly or indirectly) by members of 3 families and at least 30% of which is owned (directly or indirectly) by the decedent and members of the decedent's family.
- 4 Persons holding interests. Enter the requested information for each party who received any interest in the family-owned business. If any qualified heir is not a U.S. citizen, see the line 4 instructions on page 24 of the separate instructions. (Each of the qualified heirs receiving an interest in the business must sign the agreement that begins on the following page 40, and the agreement must be filed with this return.)

	Name	Address	
A			
B			
C			
D			
E			
F			
G			
H			

	Identifying number	Relationship to decedent	Value of interest
A			
B			
C			
D			
E			
F			
G			
H			

Part 3—Adjusted Value of Qualified Family-Owned Business Interests

5 Qualified family-owned business interests reported on this return.

Note: All property listed on line 5 must also be entered on Schedules A, B, C, E, F, G, or H, as applicable.

A Schedule and item number from Form 706	B Description of business interest and principal place of business	C Reported value
6	Total reported value	6
7	Amount of claims or mortgages deductible under section 2053(a)(3) or (4) (see separate instructions).	7
8a	Enter the amount of any indebtedness on qualified residence of the decedent (see separate instructions)	8a
b	Enter the amount of any indebtedness used for educational or medical expenses (see separate instructions)	8b
c	Enter the amount of any indebtedness other than that listed on line 8a or 8b, but do not enter more than \$10,000 (see separate instructions)	8c
d	Total (add lines 8a through 8c).	8d
9	Subtract line 8d from line 7.	9
10	Adjusted value of qualified family-owned business interests (subtract line 9 from line 6)	10

Part 4—Qualifying Estate

11 Includible gifts of qualified family-owned business interests (see separate instructions):

a	Amount of gifts taken into account under section 2001(b)(1)(B)	11a
b	Amount of such gifts excluded under section 2503(b)	11b
c	Add lines 11a and 11b	11c
12	Add lines 10 and 11c.	12
13	Adjusted gross estate (see separate instructions):	
a	Amount of gross estate	13a
b	Enter the amount from line 7	13b
c	Subtract line 13b from line 13a	13c
d	Enter the amount from line 11c	13d
e	Enter the amount of transfers, if any, to the decedent's spouse (see inst.)	13e
f	Enter the amount of other gifts (see inst.)	13f
g	Add the amounts on lines 13d, 13e, and 13f	13g
h	Enter any amounts from line 13g that are otherwise includible in the gross estate	13h
i	Subtract line 13h from line 13g	13i
j	Adjusted gross estate (add lines 13c and 13i).	13j
14	Enter one-half of the amount on line 13j	14
Note: If line 12 does not exceed line 14, stop here; the estate does not qualify for the deduction. Otherwise, complete line 15.		
15	Net value of qualified family-owned business interests you elect to deduct (line 10 reduced by any marital or other deductions)— DO NOT enter more than \$675,000—(see instructions) (attach schedule)—enter here and on Part 5, Recapitulation, page 3, at item 22	15

Part 5—Agreement to Family-Owned Business Interest Deduction Under Section 2057

Estate of:	Date of Death	Decedent's Social Security Number
-------------------	----------------------	--

There cannot be a valid election unless:

- The agreement is executed by each and every one of the qualified heirs, and
- The agreement is included with the estate tax return when the estate tax return is filed.

We (list all qualified heirs and other persons having an interest in the business required to sign this agreement)

being all the qualified heirs and

being all other parties having interests in the business(es) which are deducted under section 2057 of the Internal Revenue Code, do hereby approve of the election made by

Executor/Administrator of the estate of

pursuant to section 2057 to deduct said interests from the gross estate and do hereby enter into this agreement pursuant to section 2057(h).

The undersigned agree and consent to the application of subsection (f) of section 2057 of the Code with respect to all the qualified family-owned business interests deducted on Schedule T of Form 706, attached to this agreement. More specifically, the undersigned heirs expressly agree and consent to personal liability under subsection (c) of 2032A (as made applicable by section 2057(i)(3)(F) of the Code) for the additional estate tax imposed by that subsection with respect to their respective interests in the above-described business interests in the event of certain early dispositions of the interests or the occurrence of any of the disqualifying acts described in section 2057(f)(1) of the Code. It is understood that if a qualified heir disposes of any deducted interest to any member of his or her family, such member may thereafter be treated as the qualified heir with respect to such interest upon filing a new agreement and any other form required by the Internal Revenue Service.

The undersigned interested parties who are not qualified heirs consent to the collection of any additional estate tax imposed under section 2057(f) of the Code from the deducted interests.

If there is a disposition of any interest which passes or has passed to him or her, each of the undersigned heirs agrees to file the appropriate form and pay any additional estate tax due within 6 months of the disposition or other disqualifying act.

It is understood by all interested parties that this agreement is a condition precedent to the election of the qualified family-owned business deduction under section 2057 of the Code and must be executed by every interested party even though that person may not have received the estate tax benefits or be in possession of such property.

Each of the undersigned understands that by making this election, a lien will be created and recorded pursuant to section 6324B of the Code on the interests referred to in this agreement for the applicable percentage of the adjusted tax differences with respect to the estate as defined in section 2057(f)(2)(C).

As the interested parties, the undersigned designate the following individual as their agent for all dealings with the Internal Revenue Service concerning the continued qualification of the deducted property under section 2057 of the Code and on all issues regarding the special lien under section 6324B. The agent is authorized to act for all the parties with respect to all dealings with the Service on matters affecting the qualified interests described earlier. This authority includes the following:

- To receive confidential information on all matters relating to continued qualification under section 2057 of the deducted interests and on all matters relating to the special lien arising under section 6324B.
- To furnish the Service with any requested information concerning the interests.
- To notify the Service of any disposition or other disqualifying events specified in section 2057(f)(1) of the Code.
- To receive, but not to endorse and collect, checks in payment of any refund of Internal Revenue taxes, penalties, or interest.
- To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.
- To execute closing agreements under section 7121.

(continued on next page)

Part 5. Agreement to Family-Owned Business Interest Deduction Under Section 2057 (continued)

Estate of:	Date of Death	Decedent's Social Security Number

• Other acts (specify) ► _____

By signing this agreement, the agent agrees to provide the Internal Revenue Service with any requested information concerning the qualified business interests and to notify the Internal Revenue Service of any disposition or other disqualifying events with regard to said interests.

_____ Name of Agent	_____ Signature	_____ Address
------------------------	--------------------	------------------

The interests to which this agreement relates are listed in Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, along with their fair market value according to section 2031 (or, if applicable, section 2032A) of the Code. The name, address, social security number, and interest (including the value) of each of the undersigned in this business(es) are as set forth in the attached Schedule T.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands at _____,

this _____ day of _____.

SIGNATURES OF EACH OF THE QUALIFIED HEIRS:

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature of qualified heir

Signature(s) of other interested parties

Signature(s) of other interested parties

Estate of:

SCHEDULE U. Qualified Conservation Easement Exclusion**Part 1—Election**

Note: The executor is deemed to have made the election under section 2031(c)(6) if he or she files Schedule U and excludes any qualifying conservation easements from the gross estate.

Part 2—General Qualifications

- 1 Describe the land subject to the qualified conservation easement (see separate instructions)
- 2 Did the decedent or a member of the decedent's family own the land described above during the 3-year period ending on the date of the decedent's death? ☐ Yes ☐ No
- 3 Describe the conservation easement with regard to which the exclusion is being claimed (see separate instructions).

Part 3—Computation of Exclusion

4	Estate tax value of the land subject to the qualified conservation easement (see separate instructions)				4	
5	Date of death value of any easements granted prior to decedent's death and included on line 10 below (see instructions)	5				
6	Add lines 4 and 5	6				
7	Value of retained development rights on the land (see instructions)	7				
8	Subtract line 7 from line 6	8				
9	Multiply line 8 by 30% (.30)	9				
10	Value of qualified conservation easement for which the exclusion is being claimed (see instructions)	10				
Note: If line 10 is less than line 9, continue with line 11. If line 10 is equal to or more than line 9, skip lines 11 through 13, enter ".40" on line 14, and complete the schedule.						
11	Divide line 10 by line 8. Figure to 3 decimal places (e.g., .123). If line 11 is equal to or less than .100, stop here; the estate does not qualify for the conservation easement exclusion.	11				
12	Subtract line 11 from .300. Enter the answer in hundredths by rounding any thousandths up to the next higher hundredth (i.e., .030 = .03; but .031 = .04).	12				
13	Multiply line 12 by 2	13				
14	Subtract line 13 from .40	14				
15	Deduction under section 2055(f) for the conservation easement (see separate instructions)	15				
16	Amount of indebtedness on the land (see separate instructions)	16				
17	Total reductions in value (add lines 7, 15, and 16)	17				
18	Net value of land (subtract line 17 from line 4)	18				
19	Multiply line 18 by line 14	19				
20	Enter the smaller of line 19 or the exclusion limitation (see instructions). Also enter this amount on item 11, Part 5, Recapitulation, Page 3.	20				

Estate of: _____

CONTINUATION SCHEDULEContinuation of Schedule _____
(Enter letter of schedule you are continuing.)

Item number	Description For securities, give CUSIP number.	Unit value (Sch. B, E, or G only)	Alternate valuation date	Alternate value	Value at date of death or amount deductible
Draft as of 7/17/2003					
TOTAL. (Carry forward to main schedule.)					

See the instructions on the reverse side.